

**NEVADA HEALTH INFORMATION EXCHANGE BOARD OF DIRECTORS  
MEETING MINUTES**

**January 8, 2014  
1:00 pm**

**TELECONFERENCE CALL**

**BOARD MEMBERS PRESENT**

Brian Labus, Chair  
Elizabeth "Betsy" Aiello, Vice Chair  
Andrew "Andy" Pasternak IV, MD  
Lindsey Harmon  
Mary Siero  
Linda Montgomery  
David LaBarge, NV-HIE CEO, Ex officio  
Lynn O'Mara, State Health IT Coordinator, Ex officio  
Amber Joiner, DHS Deputy Director, Ex officio

**BOARD MEMBERS EXCUSED**

Eric Lloyd

**NV-HIE STAFF PRESENT:**

Jane Holman, NV-HIE Director of Marketing  
Sherry Hayden, NV-HIE Director of Finance  
Carolyn Cramer, NV-HIE Legal Counsel  
Chris Henkenius, Consultant  
Hope Tingle, NV-HIE Staff

**DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS) STAFF PRESENT**

Stefani Hogan, OHIT

**OTHERS PRESENT**

Debra Huber, Health Insight  
Eric Maddox, Health Insight  
Rachel Papka, Health Insight  
Todd Radtke, NRHP

**1. Call to order, roll call, determination of a quorum and announcements**

Mr. Labus called the meeting to order at 1:03 pm. Ms. Tingle called the roll, and informed Mr. Labus that a quorum was present.

## **2. Public comment**

There was none.

## **3. Discuss and decide on how the Nevada Health Information Exchange (NV-HIE) should proceed, given the recent guidance from the ONC Office of Grants Management to not allow pre-payment of services or bills beyond the program period of performance. For purposes of this grant, that date is February 7, 2014.**

Mr. LaBarge gave a presentation regarding the purpose of this board meeting.

### **REQUESTING:**

1. I'm asking the NV-HIE Board to "Re-affirm" the NV-HIE CEO's authority to re-negotiate existing and future NV-HIE contractual Agreements with key vendors, such as Orion Health, and the Silver Sage Partners (landlord for NV-HIE commercial offices). Carolyn Cramer informed me that the Vendors are not required to re-negotiate our Agreements.
2. Reaffirm the direction and strategy of the NV-HIE staff to Health Information Exchange business, and to become operationally self-sufficient as soon as possible.
3. Authorize the NV-CEO to pursue interim financing opportunities to be used starting 2/07/2014 and return to the Board with alternatives to choose from next week on Wednesday 1/15/14.

### **HISTORY of the ISSUE:**

1. ONC has reversed course in a recent decision in late December 2014 to not allow the advance pre-payments of NV-HIE expenses beyond 2/07/2014. In the past, ONC and DHHS have encouraged the NV-HIE to make as many advance pre-payments for operating expenses as possible, which we have factored into our major contracts. ONC and DHHS have reviewed and approved the major NV-HIE contractual Agreements containing language for advance pre-payment of NV-HIE expenses.
2. There has not been an official response from ONC regarding the request for NV-HIE to have a no-cost extension and continued use of the remaining \$1.9M in the Grant to NV-HIE. The new National Coordinator, Dr. Karen DeSalvo starts Monday 1/13/14.
3. With this recent ONC decision to not allow advance pre-payments and without an official response for a no-cost extension of the NV-HIE grant, this places the future operational prospects of the NV-HIE at risk.
4. The impact of this will have an immediate effect on the NV-HIE in several areas:



- a. Contracted payments in advance to Silver Sage Partners – Commercial Office Lease Agreement Payment: Rent for the period 01/01/14 – 09/30/14 to be paid by 01/05/14.
- b. Contracted payments in advance to Orion Health HIE System Vendor – Payment for HIE vendor implementation services, activation fee payments. Total due is to be paid by 1/30/14.

### **STEPS BEING TAKEN AND/OR INITIATED**

- 1. Working with Nevada DHHS to obtain additional funds to remain sustainable past 2/07/14 and through June 2014.
- 2. Continue NV-HIE marketing and sales efforts
- 3. Updating the NV-HIE Self-Sustainability Plan with potential influx of funds from DHHS
- 4. Reduced monthly operating budget to bare bones.
- 5. Re-negotiate the contracts and Agreements that have an Advance Pre-payment section.
- 6. Investigated other HIE business alternatives, such as:
  - a. Offering HIE services to other State HIE's
  - b. Discussions with HealthIE Nevada to provide IT and/or HIE services
- 7. Applied for a Line-of-Credit with Nevada State Bank and First Independent Bank
- 8. Applied for additional Grant funds from Silver State Opportunity Fund (SSOF). NV-HIE may be eligible for one or both of the available Grants in their:
  - a. Healthcare sector
  - b. Technology sector

### **2014 SELF-SUSTAINABILITY PLAN (SSP)**

- 1. Awaiting the final Self-Sustainability Plan study from Univ. NV at Reno due 2/06/14
- 2. Reworking the Self-Sustainability Plan in light of potential additional funds from DHHS.

Discussion ensued as a result of Mr. LaBarge's presentation. Dr. Pasternak asked why this had happened and what would the probability be that the Office of the National Coordinator (ONC) would reverse this decision. Ms. O'Mara responded that the Office of Health Information Technology (OHIT) in Nevada had been given direction by the Project Officer which had subsequently been reversed by the Grants Management Officer. Ms. O'Mara didn't speculate as to the probability of a reversal of the decision, but clarified how many states would be affected



by a lack of reversal. Dr. Pasternak also expressed a great deal of frustration as he had repeatedly asked that Health Insight be invited to the Board Meetings to discuss collaborating with the NV-HIE, which might have alleviated this situation. Ms. Montgomery echoed Dr. Pasternak's frustration. Ms. Aiello asked who would be responsible for payment of outstanding debts and Ms. Cramer indicated the board could be responsible. There was some discussion about what the Directors and Officers Insurance would cover should the issue arise. Ms. Cramer will do some research and bring that information back to the board at the next meeting. Additional discussion was held regarding when the board would know whether or not the project was going to be able to move forward. It was suggested that this be discussed at the next board meeting as well.

The board members then addressed the request made by Mr. LaBarge for authorization to renegotiate our current contracts for more favorable terms. After some discussion, Ms. Siero made the following motion:

**MOTION:** Ms. Siero made a motion to give Mr. LaBarge authority to renegotiate contracts for more favorable terms. This authority does not include applying for a bank loan.

**SECOND:** Ms. Montgomery

**APPROVED:** Unanimously

#### **4. Public Comment #2**

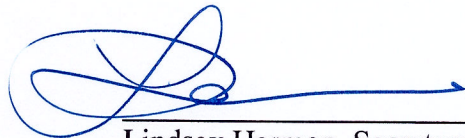
There was none.

#### **5. Adjournment**

Mr. Labus adjourned the meeting at 3:29 pm as there was no further business to discuss.

#### **CERTIFICATE OF SECRETARY**

I, Lindsey Harmon, the undersigned, the duly elected and acting Secretary of the NEVADA HEALTH INFORMATION EXCHANGE (A Nevada Non-Profit Corporation), do hereby certify that the foregoing Meeting Minutes of said Corporation are a true and correct reflection of the Board of Director's Meeting held on the 8 day of January, 2013.



Lindsey Harmon, Secretary